

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6027

BILL NUMBER: HB 1360

DATE PREPARED: Nov 5, 1999

BILL AMENDED:

SUBJECT: Second superior court for DeKalb County.

FISCAL ANALYST: Susan Preble

PHONE NUMBER: 232-9867

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 2000	FY 2001	FY 2002
State Revenues			
State Expenditures			64,322
Net Increase (Decrease)			(64,322)

Summary of Legislation: This bill establishes a second superior court in DeKalb County. It also provides for the initial election of the judge of the new superior court at the general election to be held November 7, 2001, with the person elected taking office January 1, 2002.

Effective Date: July 1, 2000.

Explanation of State Expenditures: This bill would add one new judge to the state payroll beginning in January of FY 2002. The annual cost for one additional judge is \$128,644. This figure includes (1) base salary of \$90,000; (2) fringe benefits of \$8,604 (calculated at 9.56% of the base salary); (3) health, dental and vision insurance expenses of \$5,240; (4) State General Fund contribution to the Judges Retirement Fund of \$24,000; and (5) \$800 in additional training, mailing, and travel reimbursement expenses incurred by the Indiana Judicial Center. The total cost is divided in half to reflect the fact that the first fiscal impact would not occur until January of FY 2002 [$\$128,644/2 = \$64,322$].

The bill also allows the new judge to appoint a part-time small claims referee to assist the court in the exercise of its small claims jurisdiction. Should the judge elect to do this, the state will be required to pay half of the referee's annual salary, and the county will be required to pay the other half. The small claims referee is entitled to a salary not to exceed \$20,000 a year.

Explanation of State Revenues: If the new court processes or generates more cases, there could be an acceleration in the collection of court fee revenue. Revenue could be generated if criminal and infraction cases that are currently pending were brought to trial because the fines associated with these types of cases are assessed upon conviction. The state share of revenue from all fees, fines, and assessments collected by trial courts in DeKalb County was \$351,311 in CY 1998.

Explanation of Local Expenditures: The costs to DeKalb County to create one additional superior court may include (1) an estimated \$5,000 county supplement to the new judge's base salary, should the county elect to continue to provide a supplement as they did in CY 1998; (2) salaries for an additional bailiff and court reporter, which averaged a total of \$79,487 for the existing superior court in DeKalb County in CY 1998, and (3) additional indeterminable costs for the provision of court space.

This bill also allows the new judge to appoint a part-time small claims referee to assist the court in the exercise of its small claims jurisdiction. Should the judge elect this option, the state will be required to pay half of the referee's annual salary, and the county will be required to pay the other half. The small claims referee is entitled to a salary not to exceed \$20,000 a year. Other county expenditures associated with the appointment of a small claims referee include the provision and maintenance of a suitable court room and facilities, and administrative staff necessary to support the functions of the referee.

Explanation of Local Revenues: If the new court processes or generates more cases, there could be an acceleration in the collection of court costs and other court-related fees. In CY 1998, the county share of revenues from court fees, user fees, and other fees assessed by the clerk of the court was \$316,652.

State Agencies Affected: Division of State Court Administration; Indiana Supreme Court; Indiana Judicial Center.

Local Agencies Affected: DeKalb County Courts.

Information Sources: 1998 Indiana Judicial Report, Vol. III; State Budget Agency; Indiana Judicial Center; McCready and Keene, Inc.